

### **III.B.1.a**

**TO:** Mayor Ives and City Council

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**DATE:** October 2, 2007

**SUBJECT: AEGIS AT BEAR CREEK aka KELLER FARM COMPREHENSIVE  
PLAN AMENDMENT (L070094, L070095 SEPA)**

On September 19, 2007 the Planning Commission completed its recommendation on the Aegis at Bear Creek aka Keller Farm Comprehensive Plan Amendment. The amendment would change the Comprehensive Land Use Map and Zoning Map, and create corresponding development regulations for a 126-acre site commonly known as the Keller Farm. The amendment would allow for the development of a retirement community on approximately 8.8 acres of the site and the creation of a wetland mitigation bank on the remainder of the site, about 114.8 acres.

#### **OVERVIEW AND BACKGROUND**

The Keller Farm, a 126-acre undeveloped expanse east of Avondale Road and north of Union Hill Road, is currently owned by the Keller family and used for farming. Over many years the owners have used the property for a variety of agricultural and livestock uses. Both Bear and Evans Creeks are within the Keller Farm and support threatened salmon runs. Even so, a large majority of the site is zoned RA-5 (semi-rural residential), and so the current or future owner could choose to develop the site with homes at any time. Currently, provisions in RCDG 20C.70.15 would allow for the development of 210 homes on the upland-most 35 acres of the Keller Farm in exchange for clustering development and providing easement for public trails.

Aegis Living, a Redmond-based company that operates retirement communities in the western US, has applied to change the land-use and zoning designations for the Keller Farm and one other adjacent parcel. The proposed amendment would create a new zoning designation, the Bear Creek Design District (BCDD). The BCDD would permit senior housing and associated internal services, such as financial, medical, dental, and social services, on 8.8 acres in the northwest corner of the property (called Performance Area 1, or PA-1), and would permit wetland mitigation banking on 114.8 acres that are largely within the floodplain of Bear and Evans Creeks. The applicant estimates that the retirement community would contain 155 dwellings.

The requirements of the BCDD include rerouting and enhancing Perrigo Creek, a large portion of which is in a pipe and ditch alongside Avondale Road, providing public trail easements to connect the Bear & Evans Creek Greenway, and providing a public water system easement for a future connection between Education Hill and Southeast Redmond.

The Planning Commission recommends that the Council approve this proposal because:

- It permanently protects a highly significant contiguous stream/wetland ecosystem and provides for its enhancement;
- It provides for public access to natural areas in Redmond, closing gaps in the City's trail system, balanced with the goal of maximizing the ecological value of the Keller Farm; and
- It provides opportunities to develop senior housing, consistent with City housing policy calling for a variety of housing types; a portion of the housing will be affordable to those earning up to 80% of area median income.

## **SUMMARY OF PUBLIC COMMENT**

On April 4, 2007 the applicant held a community open house to solicit feedback about the proposal. On August 1, 2007 the Planning Commission opened a public hearing about this proposal; the hearing closed on September 19, 2007. The Commission heard from a variety of interested parties, and testimony is briefly summarized below.

### **❖ Testimony in Support of Proposal**

Citizens speaking in support of the proposal noted the public benefits that the proposal would enable, particularly the provision of senior housing and restoration and enhancement of stream, riparian and wetland habitats.

### **❖ Impact to the Environment**

Citizens cautioned the Planning Commission to ensure that the details of the proposal would ensure the successful restoration of the site. In general, citizens testified that the area for the wetland mitigation should serve as an area for aquifer recharge, flood control, and habitat restoration, with recreation and agricultural operations being lower priorities.

### **❖ Timing of Senior Housing Development and Wetland Mitigation Bank**

Several of those testifying wanted to ensure the development guide amendment includes assurances that wetland mitigation bank will move forward, so as not to achieve only half of the objective of the amendment.

## **SUMMARY OF ISSUES CONSIDERED BY THE PLANNING COMMISSION**

Below is a summary of key issues discussed by the Planning Commission.

❖ **The “What” and “How” of Wetland Mitigation Banking**

Aegis proposes to set aside about 114.8 acres of the Keller Farm for wetland mitigation banking in areas that would be more difficult to develop because of critical area constraints. Aegis is partnering with Habitat Bank to create and operate the wetland mitigation bank.

Commissioners sought to better understand the nature of wetland mitigation banking since no such entity yet exists in Redmond. A wetland mitigation bank, in simplest terms, is a giant ecological restoration project. The difference is the establishment of the bank is regulated under state law and the applicant gains a financial return when mitigation credits are sold.

Wetland mitigation banking is a multi-agency program overseen by the State Department of Ecology with representation from tribes, other state agencies, the Army Corps of Engineers, and the local jurisdiction (in this case the City of Redmond). Representatives from these groups constitute the Mitigation Banking Review Team (MBRT). The MBRT oversees the application process (a public process) and negotiates with the applicant the final design of the wetland mitigation bank.

After obtaining City permits, the applicant may begin restoration work. After a period of monitoring, the bank sponsor may sell credits to eligible bank users. Eligible users are parties (often public agencies such as WSDOT and school districts) that cannot avoid wetland impacts *and* cannot provide onsite mitigation. If determined to be eligible, bank users buy credits from the bank sponsor (applicant).

❖ **Access to 180<sup>th</sup> Avenue NE Traffic Signal**

Residents of single-family homes just north of the proposal raised the issue of access to Avondale Road via the traffic signal at 180<sup>th</sup> Avenue NE. Currently the signal has no east leg, and the residents do not have access to the signal. Some neighbors wish to access Avondale Road via the signal through property that the applicant plans to purchase. The applicant has proposed to provide primary access to the senior housing development via the signal without extending access to other properties.

The Commission considers this the most challenging issue related to this proposal. Commissioners recognized that on the one hand, current access to Avondale Road for neighbors to the north is difficult: Avondale is heavily traveled and, when not congested, cars can move at high speeds. Providing a signalized access would be an improvement. On the other hand, Commissioners acknowledged staff's response that decisions about access are appropriate at the project level since at that time more detailed traffic analysis would be complete. The recommended conceptual site plan provides enough flexibility for the access

to be provided in the format suggested by the results of such analysis, considering also the requirements of the law and interests of the community.

Commissioners called on the City to make an update to the Bear Creek Neighborhood Plan a high priority so that planning issues such as transportation circulation and land use can be dealt with in a comprehensive manner for the neighborhood.

❖ **Respecting the Natural Environment**

Commissioners agreed that the restoration potential for the Keller Farm is highly significant, and consequently that successful implementation of the zoning regulations is critical. The Commission concluded that assurances built into the amendment are sufficient, stressing that the balancing of providing public access and preserving the ecological integrity of the site would be key in wetland mitigation bank and trail/greenway design.

**SCHEDULE AND REQUESTED DIRECTION**

Based on the nature of the proposed amendment, public comment and Planning Commission review, staff proposes that Council review and action on this amendment could be scheduled for one or two regular business meetings, without the need for a study session. At your meeting on October 2, staff would like Council's feedback regarding this approach. In order to best use your meeting time, staff will contact you in advance regarding specific issues you wish to discuss. If you have any questions in the meantime, please contact Cathy Beam or Jeff Churchill.